

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03 SP-02
LAB-04 SIL-01 OMB-01 SS-15 NSC-05 /075 W
-----040618 111832Z /47

R 111435Z OCT 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 9164
TREASURY DEPT WASHDC
AMEMBASSY ATHENS
AMEMBASSY BRUSSELS
AMEMBASSY PARIS
AMEMBASSY STOCKHOLM

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USECC ALSO FOR EMBASSY
USOECN

E.O. 11652: N/A
TAGS: E/FIN, E/LAB UK
SUBJECT: ATTEMPTED UNIONIZATION OF US BANKS IN LONDON

SUMMARY: CHASE MANHATTAN BANK REPORTS INCREASING PRES-
SURE FROM UNIONS IN THE UK AND GREECE TO ORGANIZE BANK
EMPLOYEES. REPORTS SIMILAR PRESSURE BEING RECEIVED BY
OTHER LARGE US BANKS AND ASKS IF
ADDRESSEE POSTS CAN OFFER ANY FEED BACK AS TO WHETHER
THESE ARE AD HOC DEVELOPMENTS OR PART OF A LARGER
MORE ORCHESTRATED TREND. END SUMMARY

1. JOHN PHILIPSBORN (VICE PRESIDENT OF CHASE MANHATTAN,
LONDON) BRIEFED THE EMBASSY ON ATTEMPTS IN THE UK BY THE
NATIONAL UNION OF BANK EMPLOYEES (NUBE) TO ORGANIZE
CHASE. PHILIPSBORN SAID HE UNDERSTANDS SIMILAR ATTEMPTS
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ARE BEING MADE AT MORGAN GUARANTEE AND CITIBANK. (UNION-
IZATION OF BANKS IN THE UK IS NOT NEW; MOST MAJOR UK
BANKS ARE UNIONIZED; US BANKS, HOWEVER, ARE NOT.) PHIL-
IPSBORN SAID THAT IF CHASE'S EMPLOYEES WISHED TO BECOME
UNIONIZED, CHASE WOULD CERTAINLY HAVE NO OBJECTION. NUBE
IS PROCEEDING INTELLIGENTLY BY CENTERING ITS EFFORTS ON
THREE OF THE LARGEST US BANKS. IF THEY FALL INTO LINE,

OTHER US BANKS PRESUMABLY WILL, TOO.

2. PHILIPSBORN SAID THAT OF CHASE'S OVER 1,000 EMPLOYEES ONLY ABOUT 40 HAVE ACTUALLY JOINED NUBE AND ONLY 170 OR SO ATTENDED THE FIRST ORGANIZATION MEETING. CHASE WOULD LIKE TO SHAPE ITS RESPONSE IN A LOW KEY AND RESPONSIBLE WAY. THIS SAID, IT NOTES SIMILAR UNIONIZATION ATTEMPTS IN ATHENS, (BRUSSELS ALSO MENTIONED) AND BELIEVES THAT THE UNIONIZATION ATTEMPT MAY BE PART OF A EUROPEAN-WIDE EFFORT. ONE OF THE NUBE HAND OUTS TO CHASE EMPLOYEES STATES THAT AT A CONFERENCE LATER THIS MONTH, NUBE LOOKS FORWARD TO BEING ABLE TO ADVISE OTHER EUROPEAN BANKING TRADE UNIONS THAT CHASE MANHATTAN IS PREPARED TO SIGN UP. THE SPECIFIC LANGUAGE IN THE HAND OUT READS AS FOLLOWS:

"IN VIEW OF OUR GROWING MEMBERSHIP, THE UNION FEELS CONFIDENT THAT THE BANK MUST AGREE TO GRANT SUCH RECOGNITION, IN LINE WITH ITS OBLIGATION TO RESPECT THE RIGHTS OF ITS EMPLOYEES IN THE CONTEXT OF INDUSTRIAL RELATIONS LAW AND PRACTICE IN THE U.K. THE U.S. GOVERNMENT HAS GIVEN A COMMITMENT TO THAT EFFECT TO TRADE UNIONS ON BEHALF OF ITS PRISES WHICH OPERATE IN MANY COUNTRIES THROUGHOUT THE WORLD. AT A CONFERENCE LATER THIS MONTH IN STOCKHOLM NUBE LOOKS FORWARD TO BEING ABLE TO ADVISE OTHER EUROPEAN BANKING TRADE UNIONS THAT CHASE MANHATTAN LIMITED OFFICIAL USE

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IS PREPARED TO RESPECT THAT CLEAR COMMITMENT."

3. THE TEXT OF THE LETTER THAT NUBE HAS SENT TO THE GENERAL MANAGER OF CHASE MANHATTAN UK READS AS FOLLOWS:

"DEAR MR. WEBSTER:

I AM WRITING TO FORMALLY ADVISE YOU THAT THIS UNION ENJOYS SIGNIFICANT AND GROWING MEMBERSHIP SUPPORT FROM EMPLOYEES OF CHASE MANHATTAN IN THE UK, AND WE HAVE RECENTLY HELD A SUCCESSFUL OPEN MEETING FOR THE BANK STAFF TO OUTLINE THE INDEPENDENT AND PROFESSIONAL REPRESENTATION WHICH NUBE OFFERS TO ALL BANK STAFFS IN THIS COUNTRY.

YOU WILL BE AWARE OF COURSE OF THE RIGHTS ENJOYED BY EMPLOYEES IN THE UK REGARDING TRADE UNION MEMBERSHIP AND I FEEL SURE THAT THE BANK CAN READILY ACKNOWLEDGE ITS OBLIGATION TO ACT UPON NUBE'S INCREASING MEMBERSHIP IN A MANNER WHICH POSITIVELY REFLECTS EMPLOYMENT RELATIONS, LAW AND PRACTICES IN THIS COUNTRY.

I WOULD SUGGEST THEREFORE THAT A MUTUALLY CONVENIENT MEETING BE ARRANGED AT AN EARLY DATE TO DISCUSS THE SITUATION, AND WILL BE GRATEFUL IF YOU WOULD TAKE

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THIS LETTER AS A FORMAL CLAIM UPON THE BANK THAT
NUBE BE RECOGNISED ON BEHALF OF THE UK STAFF FOR
COLLECTIVE BARGAINING PURPOSES.
A PARTICULAR MATTER OF CONCERN TO OUR MEMBERS AT
THIS TIME IS THE PROPOSED RELOCATION OF THE OPERA-
TIONS AND ADMINISTRATION DEPARTMENTS OF THE BANK
TO A NEW LOCATION AT HARLOW IN ESSEX. I UNDERSTAND
THAT THE BANK HAVE YET TO PUBLISH THE PACKAGE OF
PROPOSALS REGARDING THE MOVE TO ITS EMPLOYEES, BUT
OBVIOUSLY THE UNION IS KEEN TO HELP SAFEGUARD THE
INTERESTS OF THE STAFF IN THIS VERY SENSITIVE EX-
ERCISE. IN VIEW OF OUR EXPERIENCE IN DEALING WITH
STAFF PROBLEMS ARISING OUT OF SUCH A RELOCATION, I
WOULD SUGGEST THAT WE SHOULD ALSO DISCUSS THIS
PARTICULAR MATTER WHEN WE MEET. YOUR EARLY ATTEN-
TION WOULD BE APPRECIATED."

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4. PHILIPSBORN READILY ADMITS THAT AN IMPENDING SHIFT OF CLERICAL OPERATIONS TO A NEW LOCATION GIVES IMPETUS TO THE NUBE EFFORTS. HOWEVER, CHASE IS INTERESTED IN LEARNING ABOUT THE DISCUSSIONS IN STOCKHOLM AMONG EUROPEAN BANKING TRADE UNIONS. CHASE HAS SPECIFICALLY ASKED THE EMBASSY IF IT WOULD BE POSSIBLE TO OBTAIN INFORMATION FROM LABOR ATTACHES IN MAJOR EUROPEAN POSTS CONCERNING THE DEGREE OF ACTIVITY OR RENEWED EFFORTS TO UNIONIZE US BANKS, I.E., IS IT AD HOC INDIGENOUS AND NATIONAL IN ORIGIN OR PART OF A CONCERTED EUROPEAN-WIDE CAMPAIGN. IN ADDITION, ANY INFORMATION THAT EMBASSY STOCKHOLM MIGHT DEVELOP ON THE CONFERENCE OF EUROPEAN BANKING TRADE UNIONS WOULD BE APPRECIATED AND HELPFUL TO CHASE IN SHAPING ITS OWN RESPONSE.

5. COMMENT

WE OF COURSE DO NOT PROPOSE TO TAKE A PARTISAN POSITION OR SERVE AS GATHERER OF CONFIDENTIAL INFORMATION FOR ONE INTERESTED PARTY IN A POTENTIAL BARGAINING SITUATION. ON THE OTHER HAND, IT WOULD SEEM LEGITIMATE FOR AN AMERICAN COMPANY TO EXPECT USG TO FURNISH IT AVAILABLE NON-CONFIDENTIAL INFORMATION OF THE LIMITED TYPE WHICH CHASE IS REQUESTING, I.E., ANSWERS TO (A) IS THERE AN EFFORT UNDERWAY IN SPECIFIED EUROPEAN COUNTRIES TO UNIONIZE AMERICAN BANKS? AND (B) WHAT RELEVANT INFORMATION IS AVAILABLE ON THE STOCKHOLM CONFERENCE OF EUROPEAN TRADE UNIONS? WITH OVER 50 US BANKS OPERATING IN LONDON, EMBASSY LONDON IS ALSO INTERESTED FOR ITS OWN PART IN INFORMATION PERTINENT TO POTENTIAL PROBLEMS BETWEEN ANY AMERICAN COMPANY OR FINANCIAL INSTITUTION AND TRADE UNIONS AND THEIR LIKELY IMPACT ON THE INVESTMENT OR FINANCIAL CLIMATE.

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5. ACTION REQUESTED: WE WOULD APPRECIATE RECEIVING-- BOTH FOR OUR OWN USE AND FOR INCORPORATION, AS APPROPRIATE, INTO OUR REPLY TO CHASE -- ANY INFORMATION ADDRESSEE POSTS HAVE OR CAN DEVELOP ON THE TWO QUESTIONS IN PRECEDING PARAGRAPH.

BREWSTER

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Message Attributes

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